

EXHIBIT 1

DOCUMENT

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**Adobe® 2005 Performance,
Salary & Stock Focal**

**Theresa Townsley
Donna Morris
Ellen Swarthout**

February 2005

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Agenda

- High-level Timeline
- Talent Review Process
- Focal Training Overview
- Global Market Analysis


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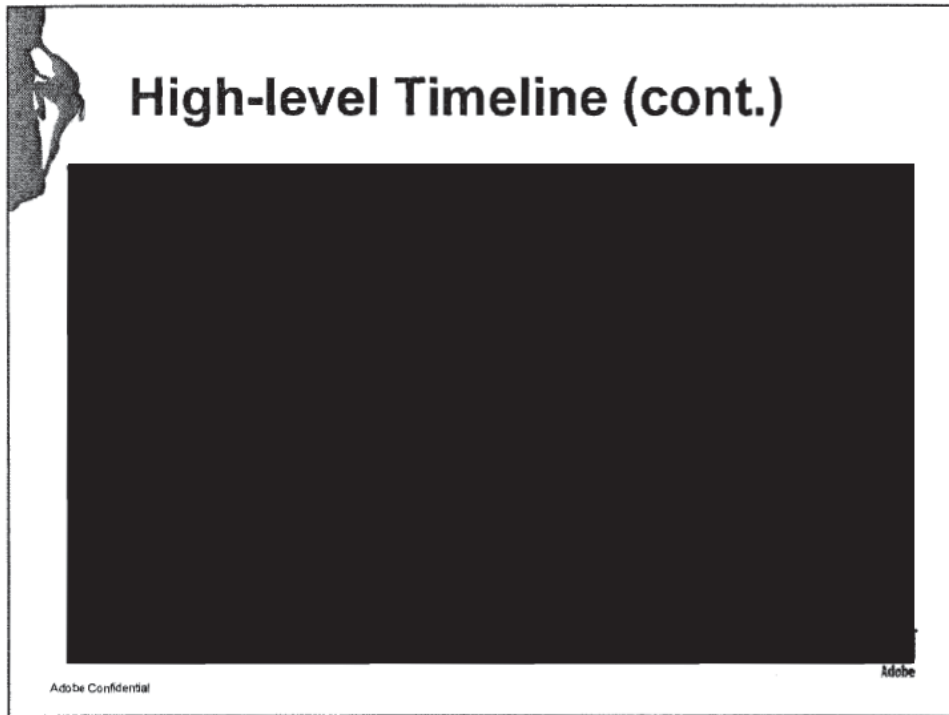
High-level Timeline

- Feb. 21: All managers receive email to kick-off the Performance, Salary & Stock Focal process
- Mar. 14 – 30: To learn about the Focal process, all new managers and new employees attend general sessions, other managers and employees reviewing online resources
- Mar. - June: Managers can attend a training session to learn how to have a more effective performance discussion



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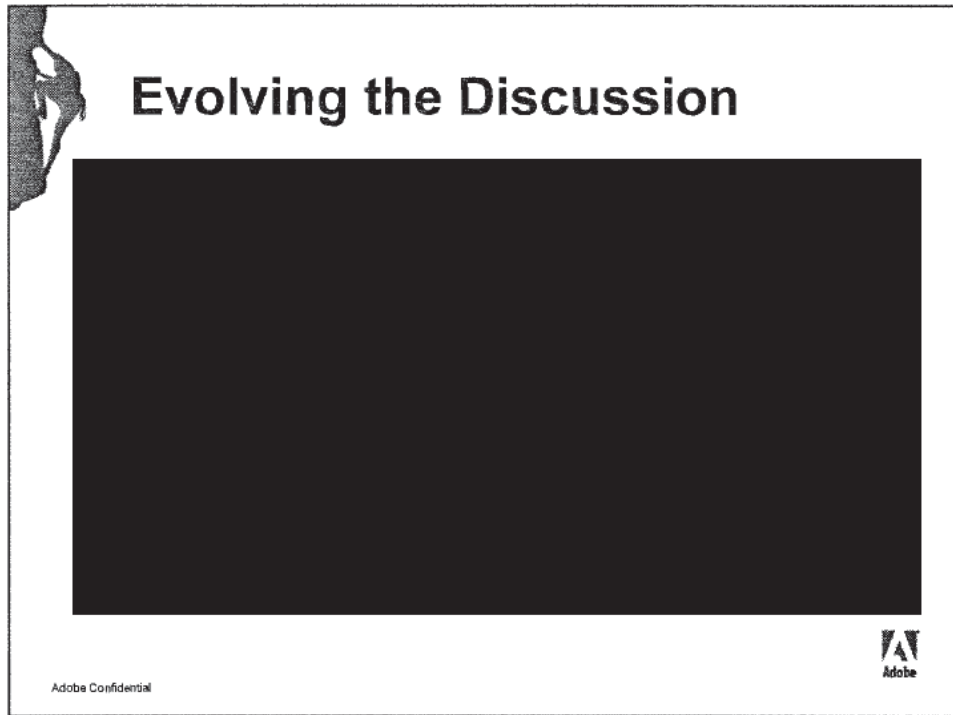


Adobe Talent Review
*Integrating with Strategy
and Operations*

Donna Morris
Senior Director, Talent

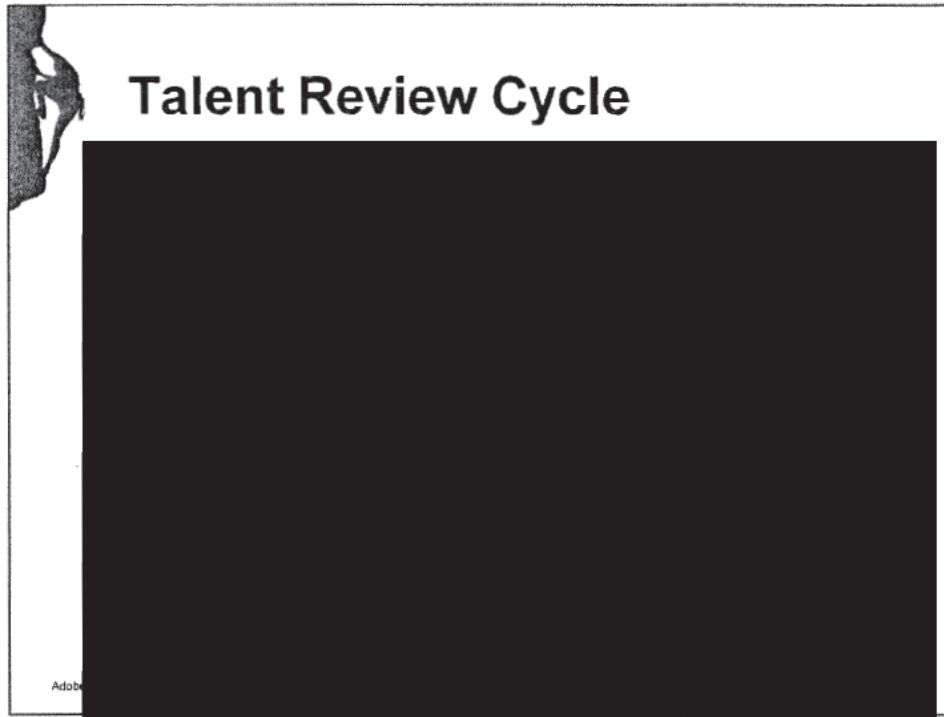
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Focal Training Overview

- Based on feedback from 2004, the focus of training will shift from “process” to “delivering effective performance feedback”
- Focal “Process” information will be available online and a few in-person sessions for new managers
- Performance feedback training will be held from March through June, and then ongoing
- KTB (Knowing the Business) session on Compensation in late April

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Global Market Analysis

Ellen Swarthout
Director, WW Compensation

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Compensation Philosophy

- To ensure we can attract and retain talented and motivated employees throughout the world partnering in our success, we provide competitive “Total Compensation” programs as appropriate to each country in which we do business.

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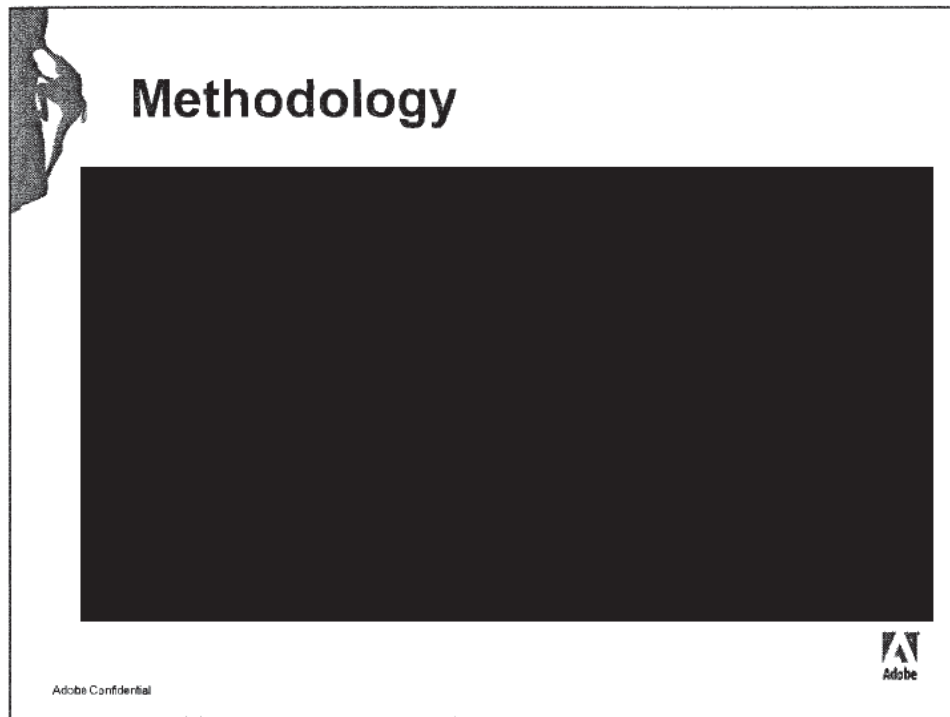


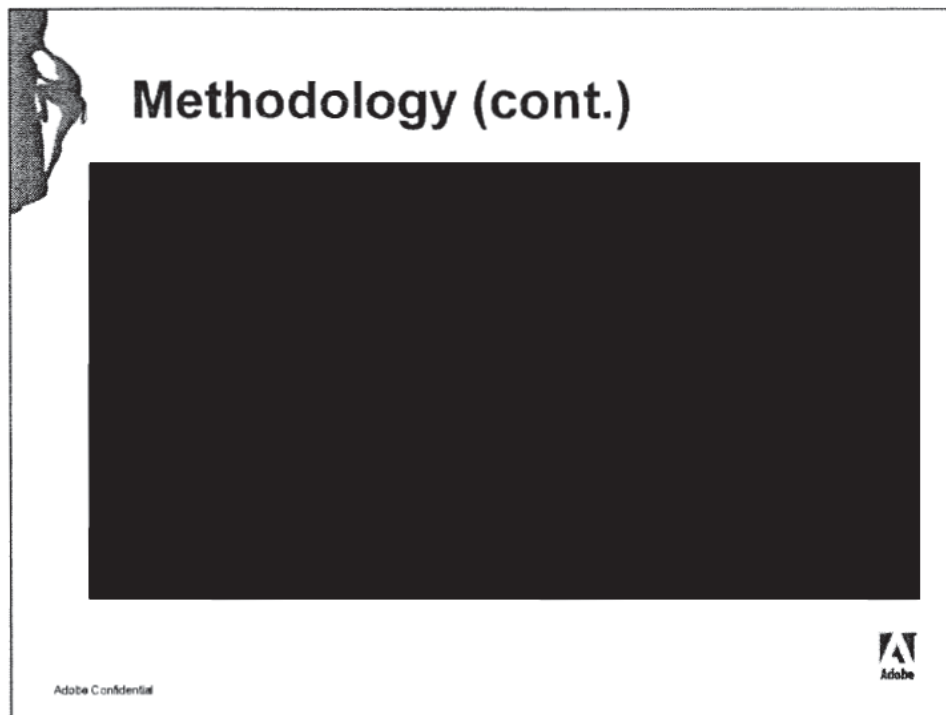
Compensation Philosophy

- **We are committed to the following principles:**
 - We share our success with our employees.
 - We offer competitive total compensation based upon practices for our industry and local markets in which we compete, while preserving Adobe's financial strength.
 - We provide a work environment including the tools, training and relevant information that supports a high level of personal and organizational productivity.
 - We work together as individuals, managers and teams to define goals, and hold ourselves accountable for objectives we set.
 - We fairly and regularly assess performance results and differentiate rewards based on performance.
 - We recognize and reward results and contributions tied to the success of the company and in support of company values.
 - We offer competitive benefits geared toward individual needs, flexibility, competitive environment, and cost effectiveness.
 - We offer or participate in programs, which allow employees to effectively plan for and manage their financial futures.
 - We communicate the goals, features and value of our programs.

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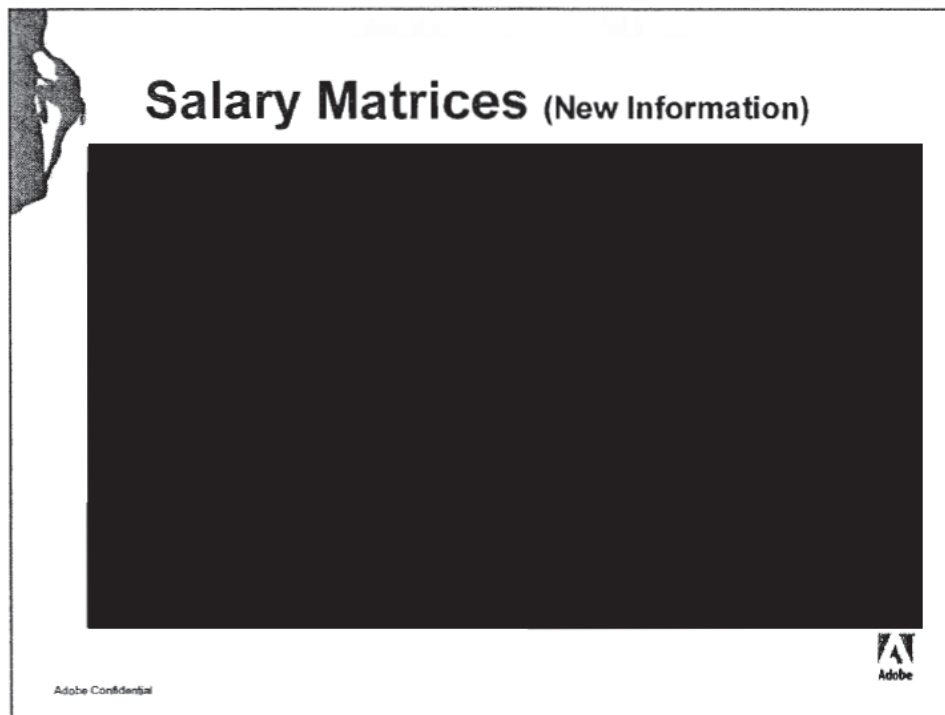


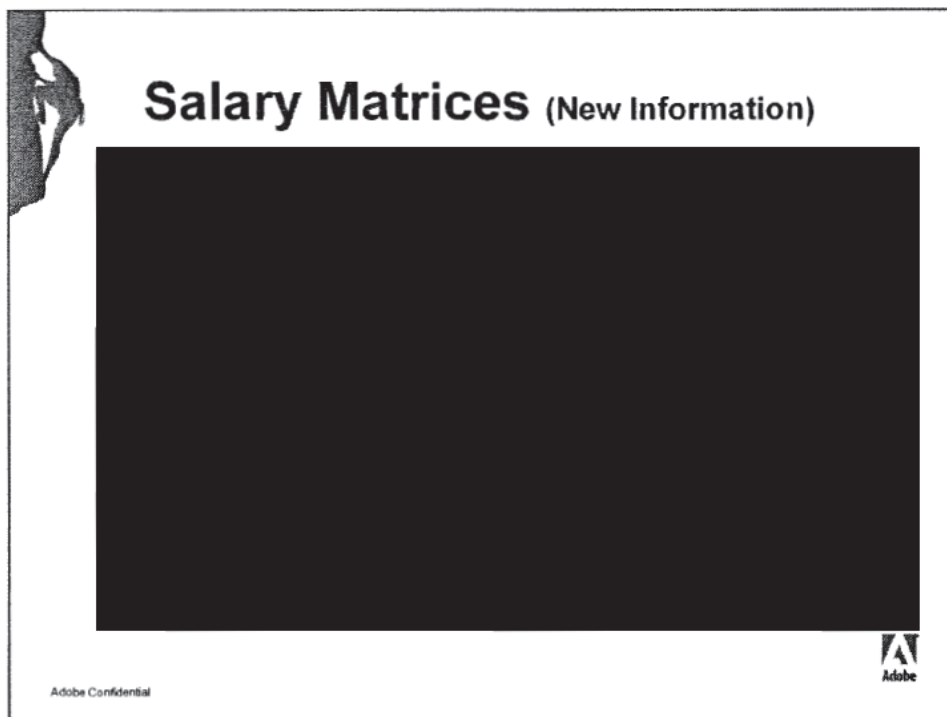




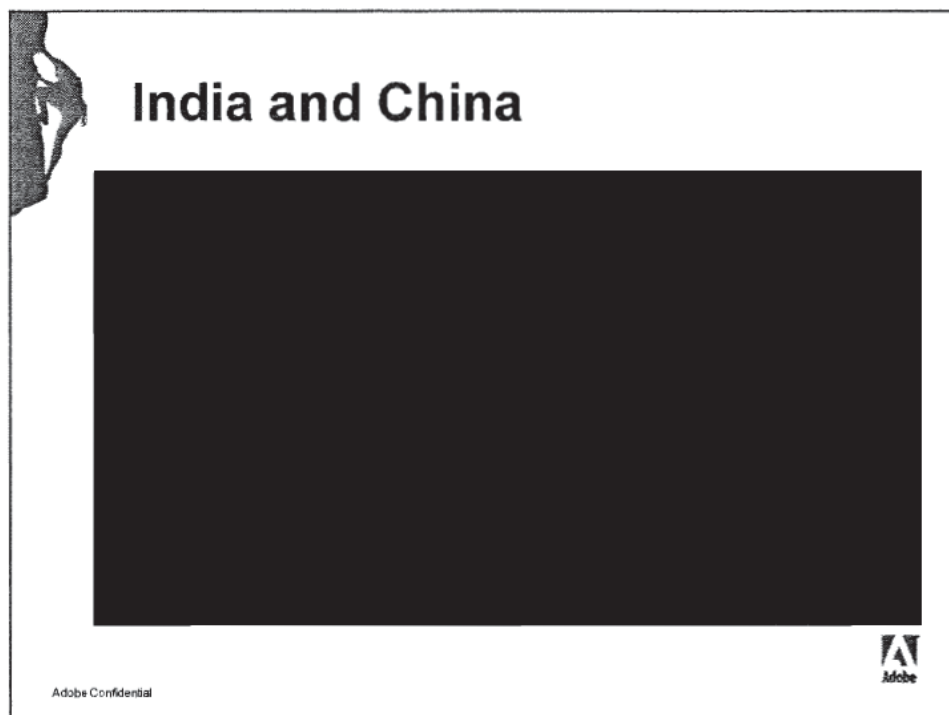


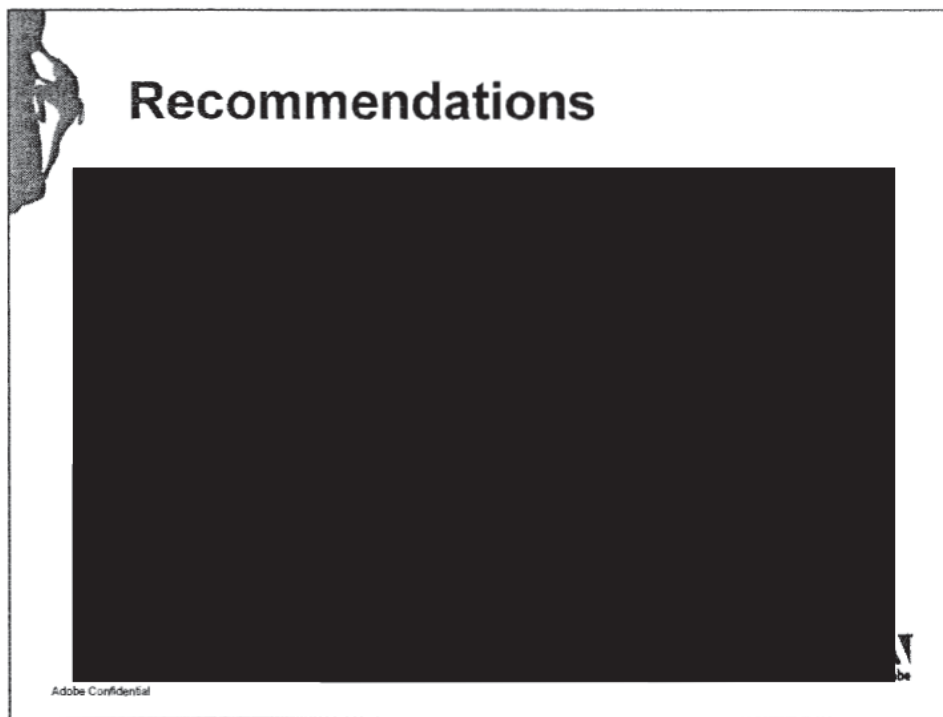




















Rise to the Challenge

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EXHIBIT 2

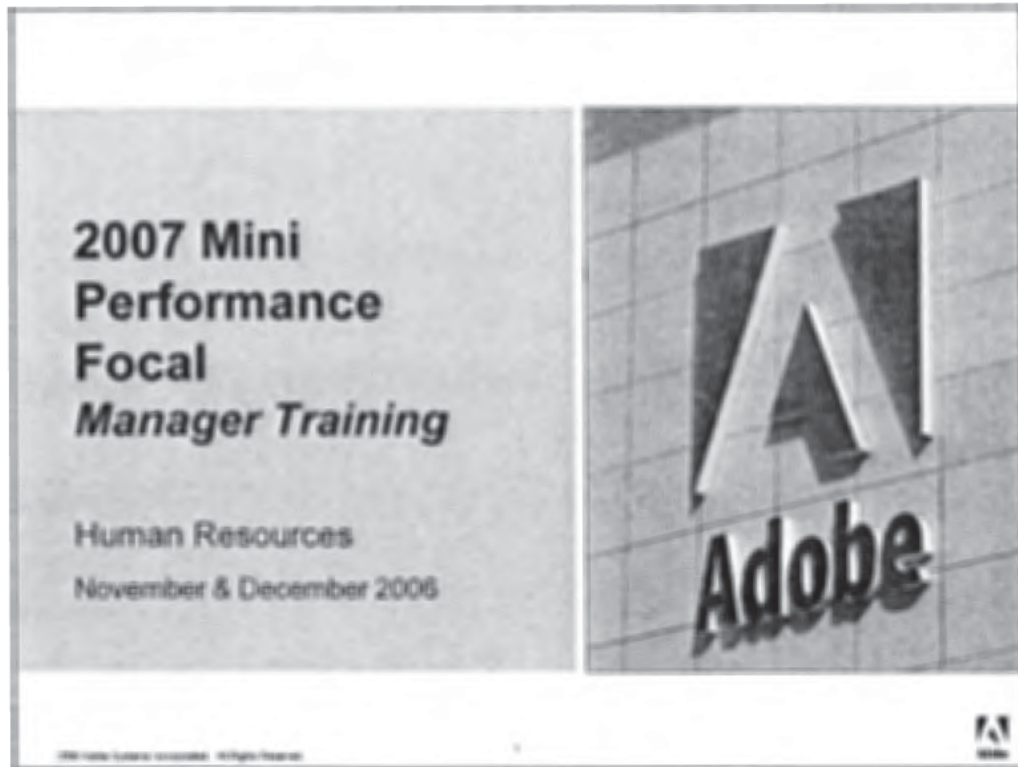
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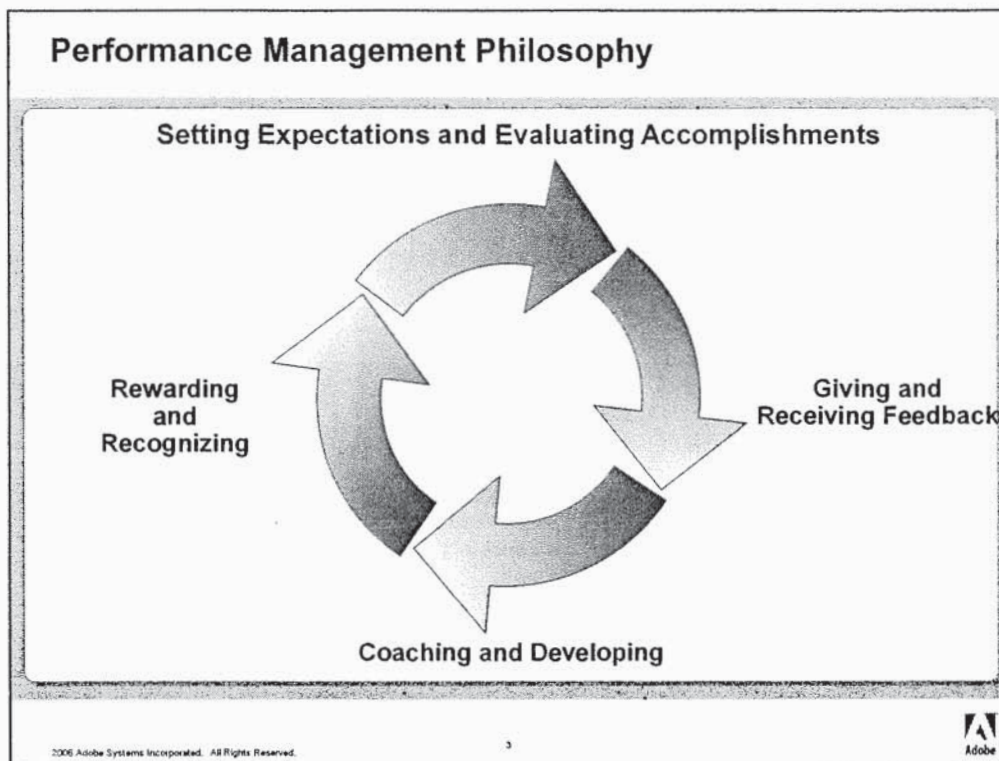
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- Introduce yourself and any other presenters with you.

Agenda


1. Key Underlying Philosophies
2. Roles and Responsibilities
3. The Basics
4. Core Components
5. Timeline of Key Steps
6. Resources
7. Q&A



- Stress that performance management is not a one-time event. All of these steps in the cycle should be taking place year-round.

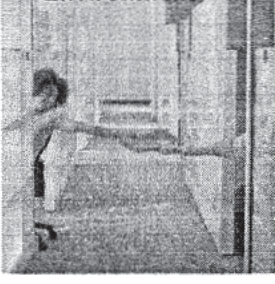
It's simply better at Adobe

Great People




- Adobe attracts and retains talented, highly motivated individuals

Dynamic Environment



- Adobe cultivates an energizing environment that instills a sense of pride and winning spirit

Winning Company




- Adobe inspires employees to contribute at peak performance and share in the success of this winning company

←..... Performance Management for a high-performing company→

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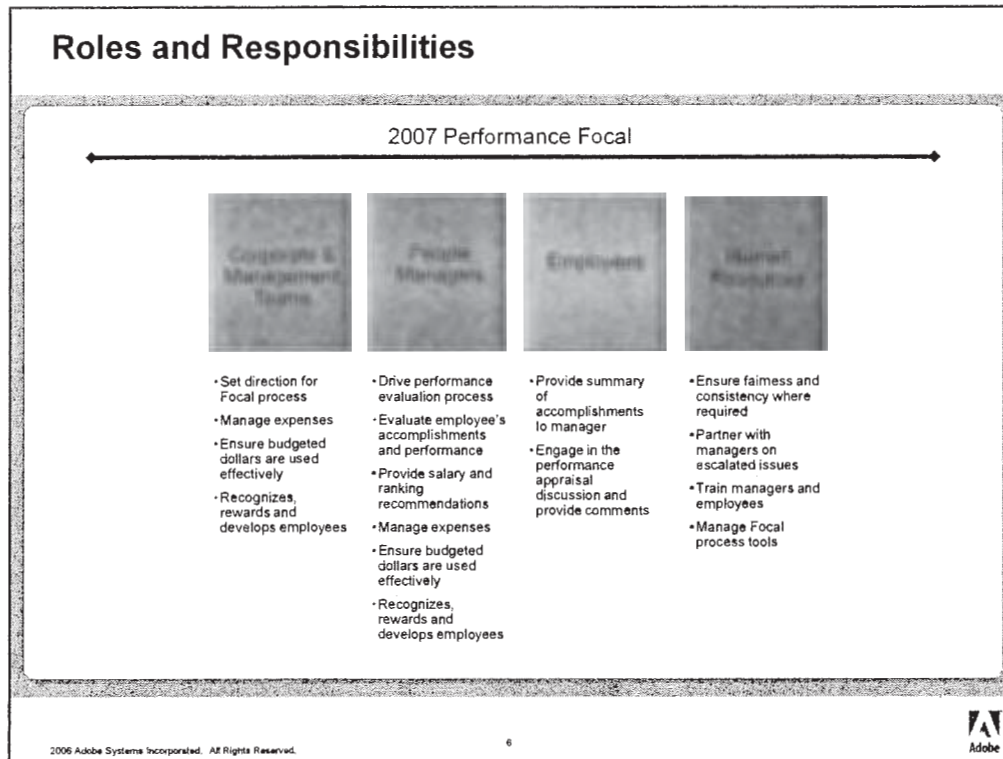
Compensation Philosophy and Guiding Principles

- **Philosophy**

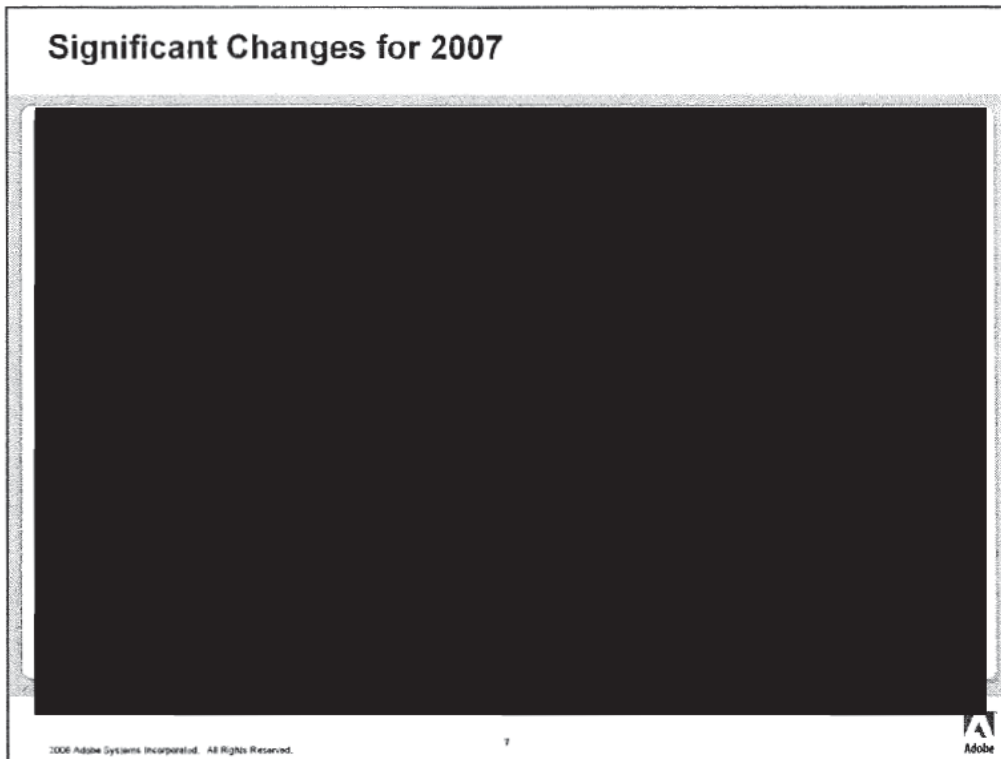
- To ensure we can attract and retain talented and motivated employees throughout the world partnering in our success, we provide competitive "Total Compensation" programs as appropriate to each country in which we do business.

- **Guiding Principles**

- We share our success with our employees.
- We offer competitive total compensation based upon practices for our industry and local markets in which we compete, while preserving Adobe's financial strength.
- We provide a work environment including the tools, training and relevant information that supports a high level of personal and organizational productivity.
- We work together as individuals, managers and teams to define goals, and hold ourselves accountable for objectives we set.
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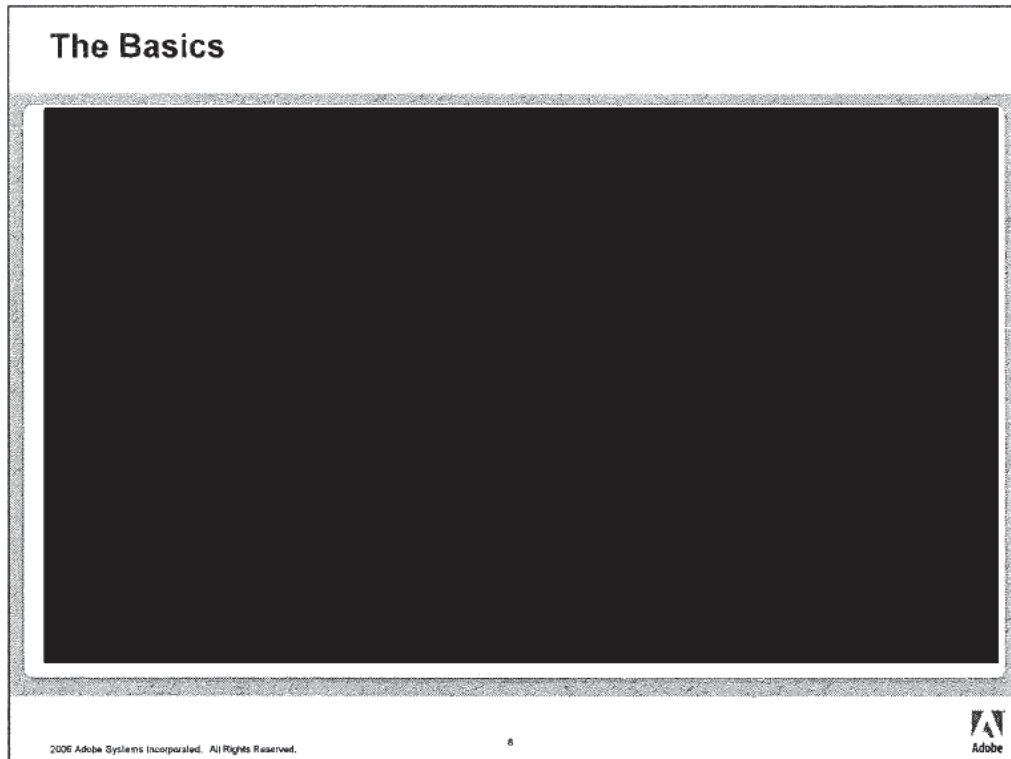


- Describe who the members are on the CTeam (Bruce and his direct reports) and MTeam (CTeam plus some of Shantanu and the SVP of Sales' direct reports)



- The significant changes for 2007 all contribute to the streamlining of the process this year. Hence, the “mini” Focal process.
- If you are a new manger we will go into more detail on ranking later in the presentation





Core Components

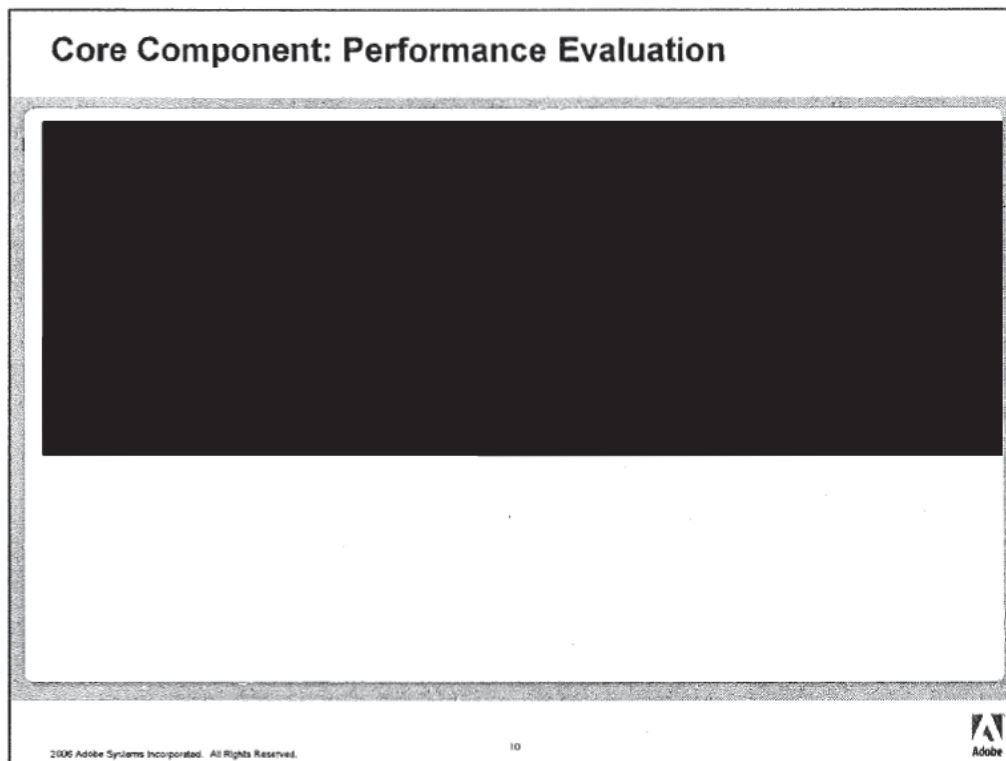


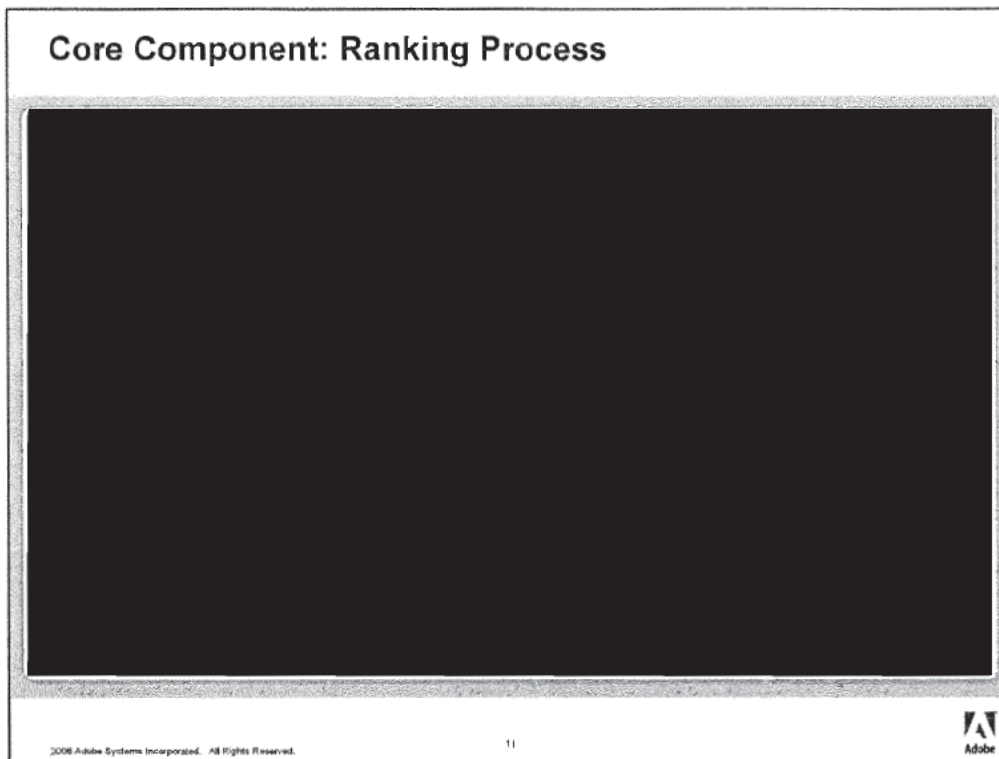
- Performance Evaluation
- Ranking Process
 - Matrix
- Salary Focal Budget
 - Methodology
 - Budgets by Country
- Salary Increase Matrices
- Salary Focal Tool
- Updated Performance Appraisal
- Performance & Salary Discussion

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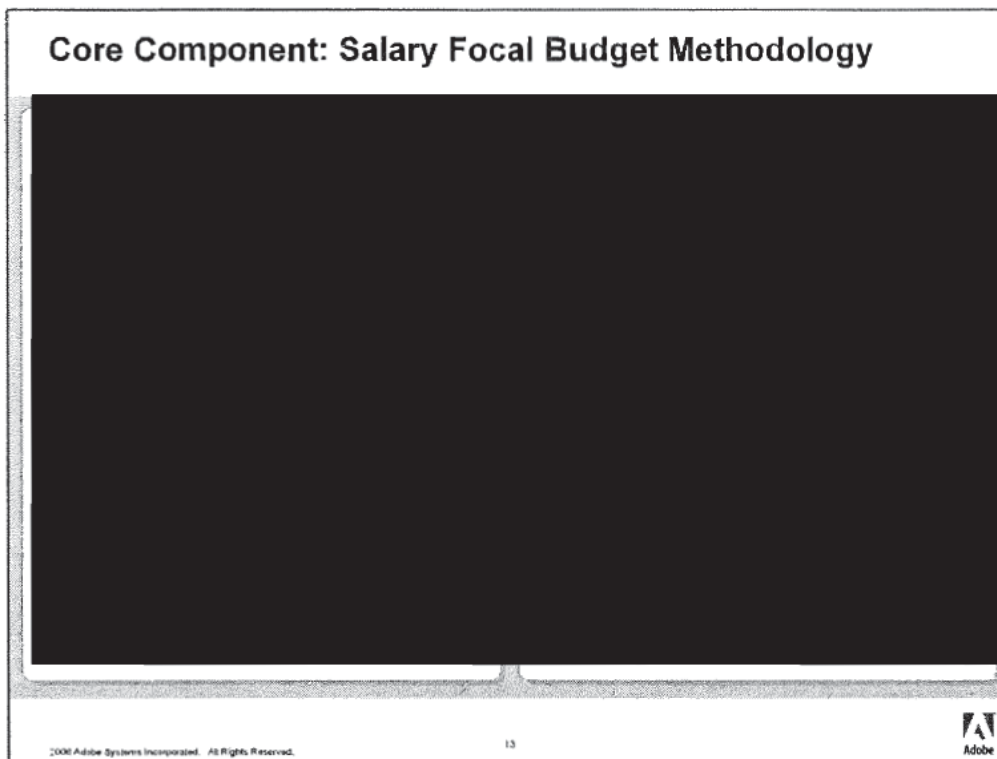
Core Component: Ranking Matrix



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- We'll be walking through the methodology to create the Salary Focal Budget, and then I'll share the budget for this year.



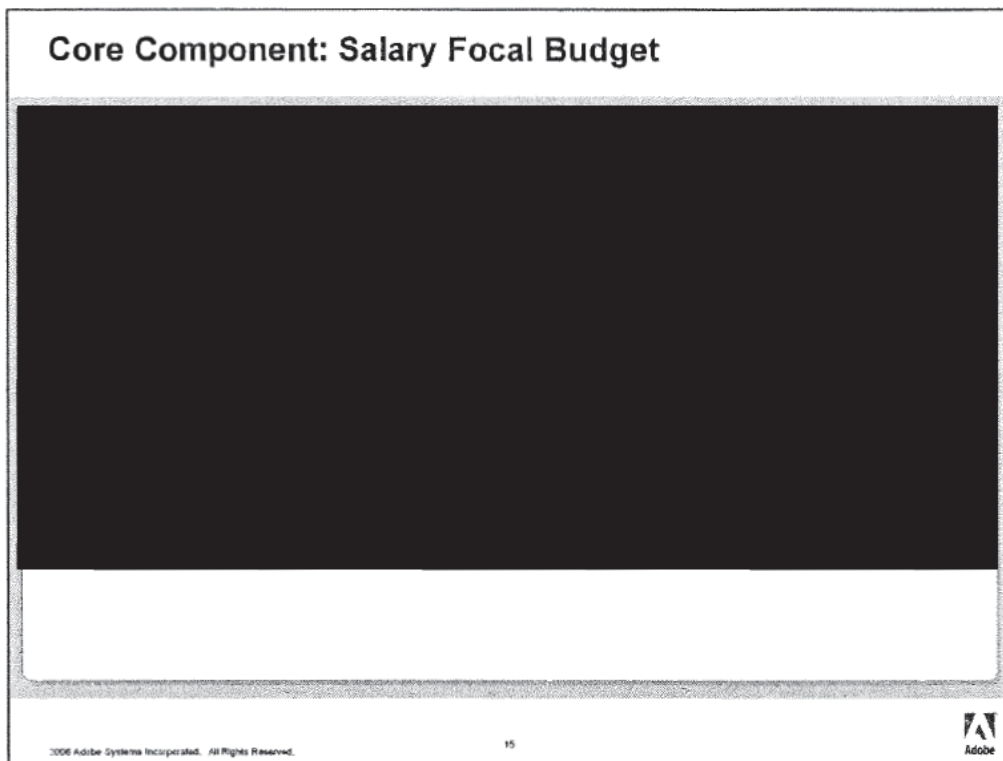
Core Component: Salary Focal Budget Methodology (cont.)




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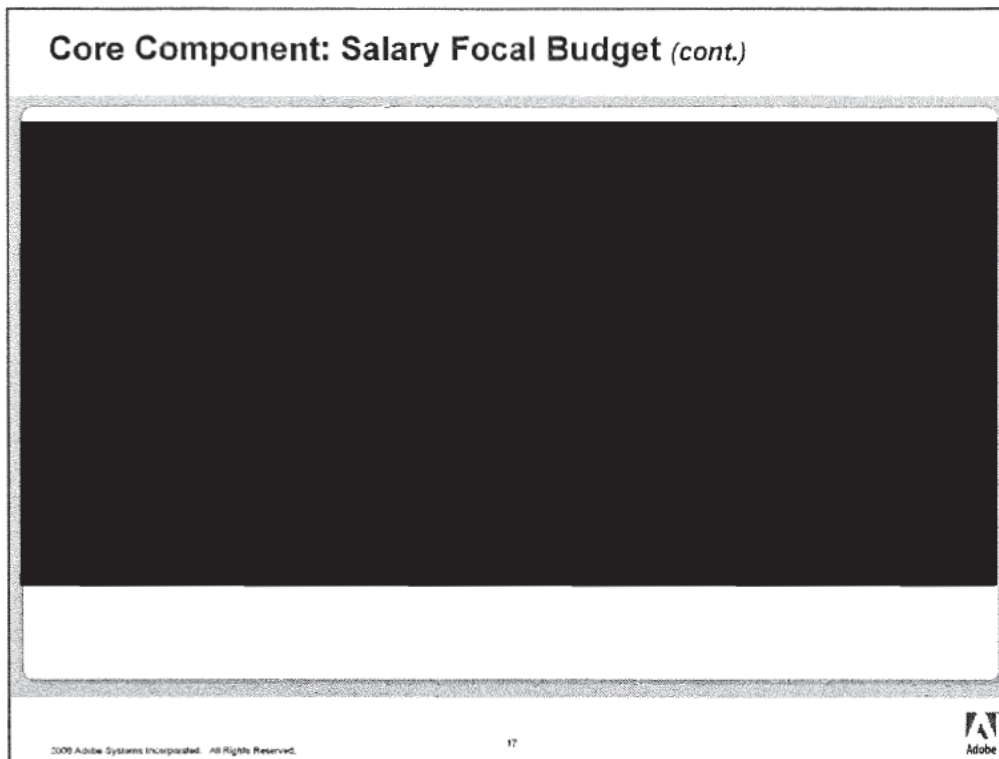
Example of Base Salary Impact with Pro-rated Budget



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Core Component: Pro-rated Salary Focal Budgets* by Country



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Core Component: Salary Increase Considerations



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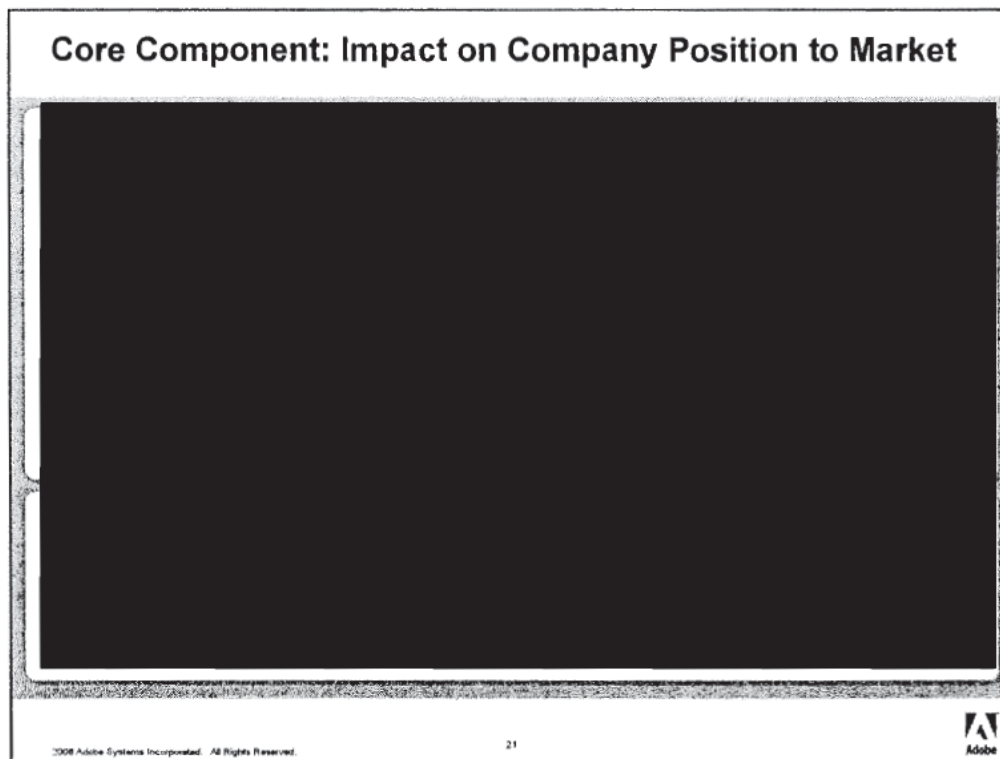
Core Component: Salary Increase Matrices (except India)



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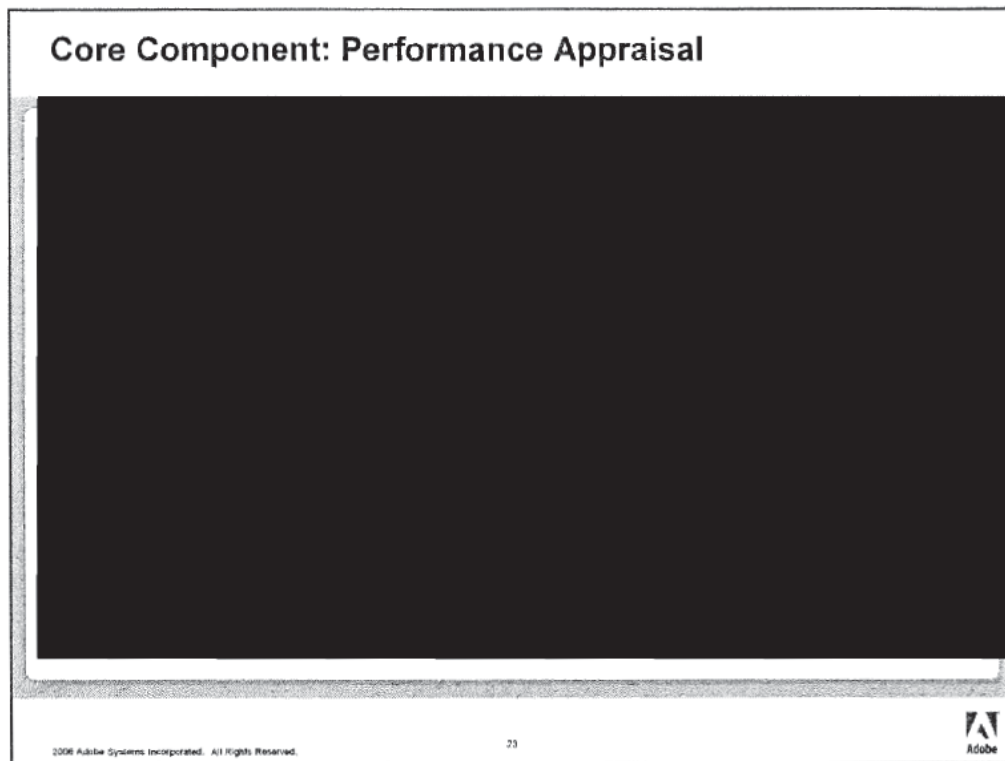
Core Component: Salary Focal Tool

- Refer to the Adobe Presenter available on the Managers' Focal web site for help installing and using the tool

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- Refer to the *Salary Focal Tool and Reports* document on the Manager's Focal website.





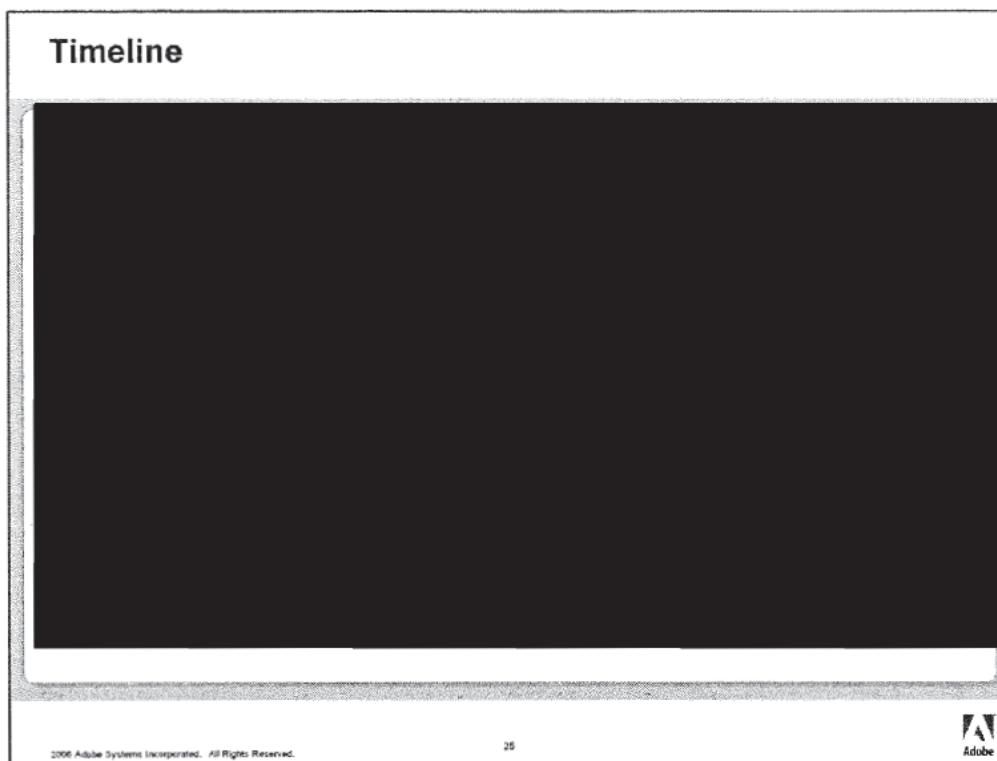
Core Component: Performance & Salary Discussion



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- **Managers can start writing reviews now using the Performance Appraisal Worksheet (non-routable) available on the Manager's Focal website, and then copy/paste into the routable form, which will be available on 12/4.**

Resources

- 2007 Managers' Performance Focal web site
 - Access from Inside Adobe
 - Adobe PDF of Managers' reference documents
 - Links to forms
 - Link to online Enrollment System to enroll in a 1:1 Coaching session
 - Posted email communications to managers and employees
- Managing at Adobe Website
- Communications
 - Email reminders for key action items
- If you have questions about...
 - An employee issue, contact your Human Resources Manager
 - The Focal timeline, process, or tools, contact the HRIC at x6-HELP (4357), option 5

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- **You can find your HRM on the Org Chart on Inside Adobe.**
- **Coaching sessions will be offered in Jan.**
- **Even though the HRIC is mainly for North America employees, for Focal timeline, process or tools questions, all employees can contact the HRIC.**

